



City Budget 2012

Yonge-Dundas Square Capital Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Capital Budget funds major infrastructure.

2012–2021 Capital Program

2012 CAPITAL BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

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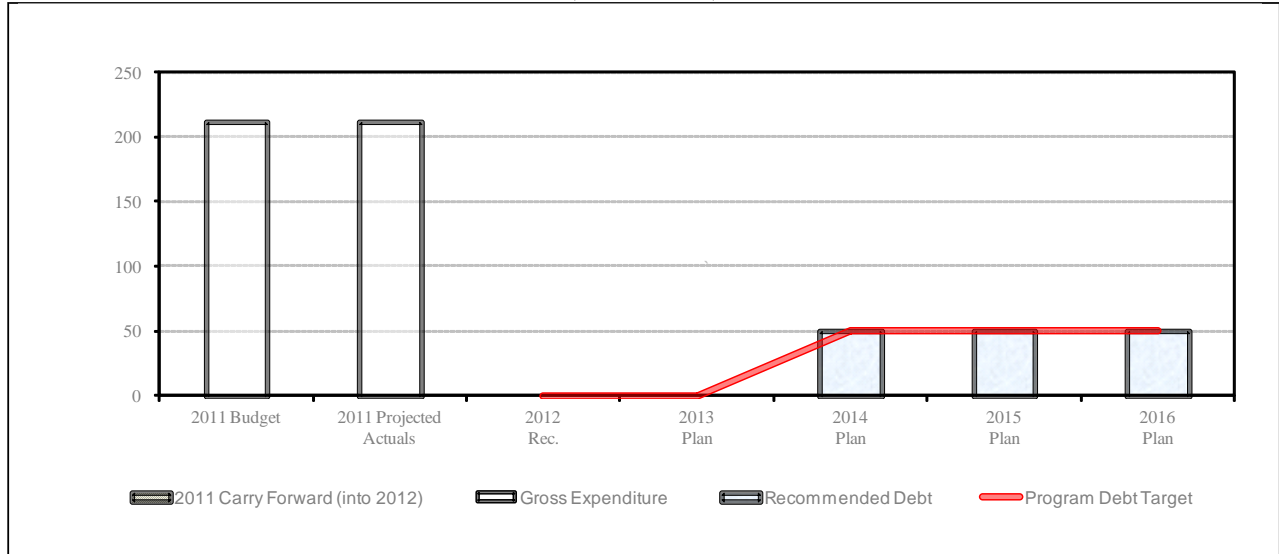
PART I: RECOMMENDATIONS

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2013–2021 Recommended Capital Plan for Yonge–Dundas Square totaling \$0.400 million in project estimates, comprised of \$0.050 million in each of years 2014 to 2021.

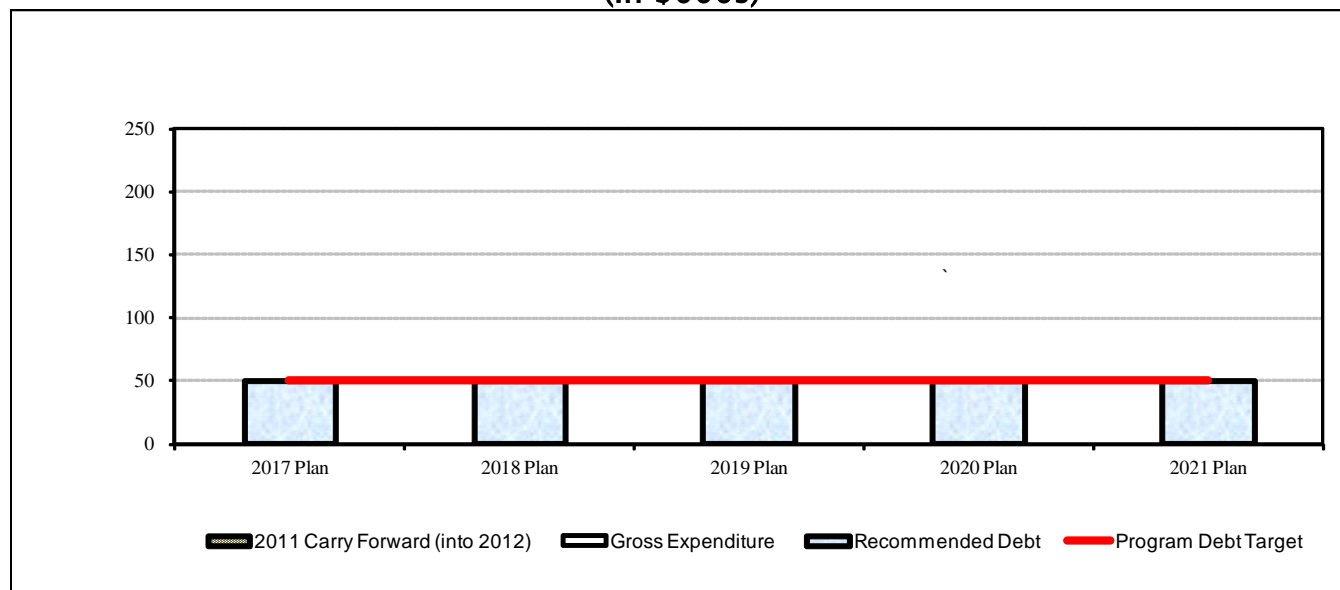
PART II: 2012 – 2021 CAPITAL PROGRAM

10-Year Capital Plan 2012 Recommended Budget, 2013–2016 Recommended Plan (In \$000s)



	2012 Rec. Budget and 2013-2016 Plan								5-Year Total
	2011		2012	2013	2014	2015	2016	2012-2016	
	Budget	Projected Actual							
Gross Expenditures:									
2011 Capital Budget & Approved FY Commitments	212	212							
Recommended Changes to Approved FY Commitments									
2012 New/Change in Scope and Future Year Commitments									
2013 - 2016 Capital Plan Estimates				50	50	50	150		100%
2-Year Carry Forward for Reapproval									
1-Year Carry Forward to 2012		0							
Total Gross Annual Expenditures & Plan	212	212	0	0	50	50	50	150	100%
Program Debt Target	0		0	0	50	50	50	150	
Financing:									
Recommended Debt	0			50	50	50	150		100%
Reserves/Reserve Funds	12								
Development Charges									
ISF	67								
Provincial/Federal									
Other Revenue	133								
Total Financing	212		0	0	50	50	50	150	100%
By Project Category:									
Health & Safety									
Legislated									
SOGR				50	50	50	150		100%
Service Improvement	212								
Growth Related									
Total By Project Category	212		0	0	50	50	50	150	100%
Asset Value - end of each year (\$)		15,500	15,500	15,500	15,500	15,500	15,500		
Yearly SOGR Backlog Estimate (not addressed by current plan)		0						0	
Accumulated Backlog Estimate (end of year)		0						0	
Backlog: Percentage of Asset Value (%)		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Debt Service Costs				1	6	6	14		
Operating Impact on Program Costs								0	
New Positions								0	

10-Year Capital Plan 2017–2021 Recommended Plan (In \$000s)



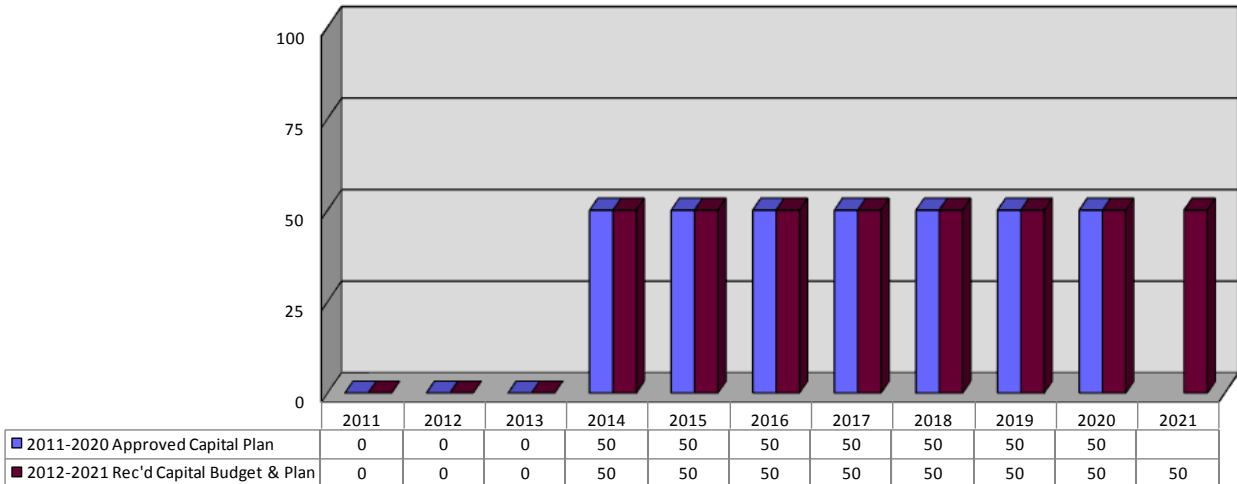
	2017 - 2021 Capital Plan						10-Year Total Percent
	2017	2018	2019	2020	2021	2012-2021	
Gross Expenditures:							
2011 Capital Budget & Approved FY Commitments							
Recommended Changes to Approved FY Commitments							
2-Year Carry Forward for Reapproval							
2012 New/Change in Scope and Future Year Commitments							
2017 - 2021 Capital Plan Estimates	50	50	50	50	50	400	100%
Total Gross Annual Expenditures & Plan	50	50	50	50	50	400	100%
Program Debt Target	50	50	50	50	50	400	
Financing:							
Recommended Debt	50	50	50	50	50	400	100%
Reserves/Reserve Funds							
Development Charges							
ISF							
Provincial/Federal							
Other Revenue							
Total Financing	50	50	50	50	50	400	100%
By Project Category:							
Health & Safety							
Legislated							
SOGR	50	50	50	50	50	400	100%
Service Improvement							
Growth Related							
Total By Project Category	50	50	50	50	50	400	100%
Asset Value - end of each year (\$)	15,500	15,500	15,500	15,500	15,500		
Yearly SOGR Backlog Estimate (not addressed by current plan)						0	
Accumulated Backlog Estimate (end of year)						0	
Backlog: Percentage of Asset Value (%)	0.0%	0.0%	0.0%	0.0%	0.0%		
Debt Service Costs	6	6	6	6	6	46	
Operating Impact on Program Costs						0	
New Positions						0	

10–Year Capital Plan Overview

- The Yonge–Dundas Square is a one-acre open air public space built in 2002 as the centerpiece of the \$67.8 million Yonge Street Regeneration Project. The Square, with twenty water fountains and a stage, is also an event venue for the general public.
- Since its official opening in 2003, the Board of Management of Yonge–Dundas Square had made a total investment of \$1.2 million for capital improvements including additional lighting, a stage canopy and a permanent storage facility; and addressed various immediate structural and mechanical/electrical system deficiencies. The asset replacement value of the Square and amenities is \$15.5 million.
- The 10–Year Recommended Capital Plan for Yonge–Dundas Square ensures the facility is maintained in a state of good repair through 2021.
- There are no new capital projects for years 2012 and 2013. State of good repair work will resume in 2014 with capital funding allocations of \$0.050 million in each of the years 2014 to 2021. The estimated amount is a placeholder for anticipated state of good repair work and unforeseen capital needs as they arise.
 - Since the facility is relatively new, capital funding for significant capital renewal and replacement requirements is not planned until 2020 as identified in the 2009 facility audit.
- The 10–Year Recommended Capital Plan for Yonge–Dundas Square of \$0.400 million gross expenditures is 100% funded by debt, and meets the current debt target of \$0.400 million assigned to the Program.
- Yonge–Dundas Square does not have a state of good repair backlog as the facility is relatively new and the SOGR project completed in 2010 addressed all the immediate structural and mechanical/electrical state of good repair items. However, the facility audit report does identify minor maintenance projects costing less than \$5,000 which will be undertaken annually. These will be accommodated in Yonge–Dundas Square's Operating Budget.

Key Changes to the 2011 – 2020 Approved Capital Plan

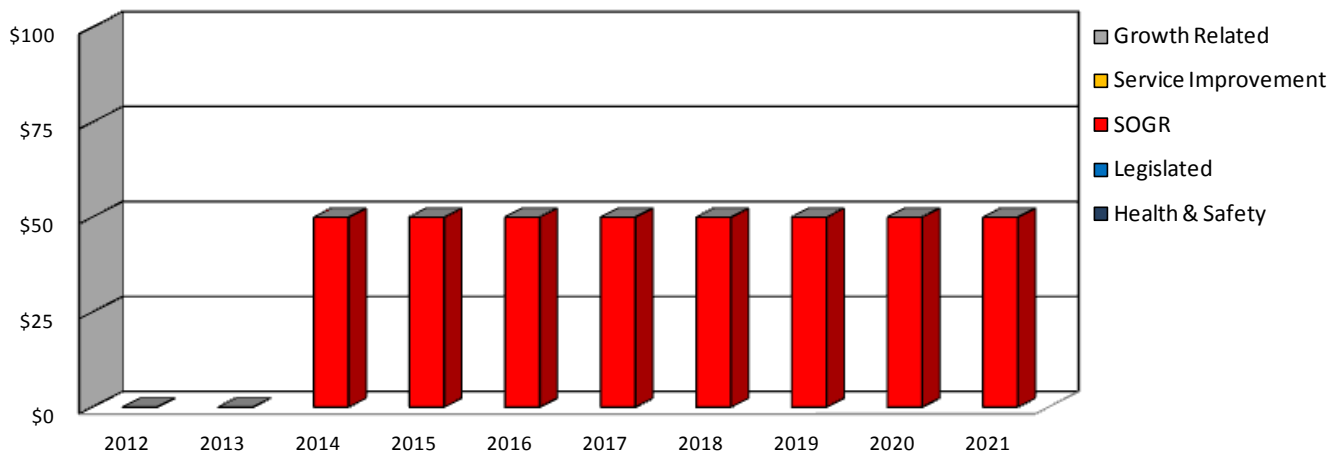
Changes to the 2011–2020 Approved Capital Plan
(In \$000s)



- There is no change to the 2011–2020 Approved Capital Plan.

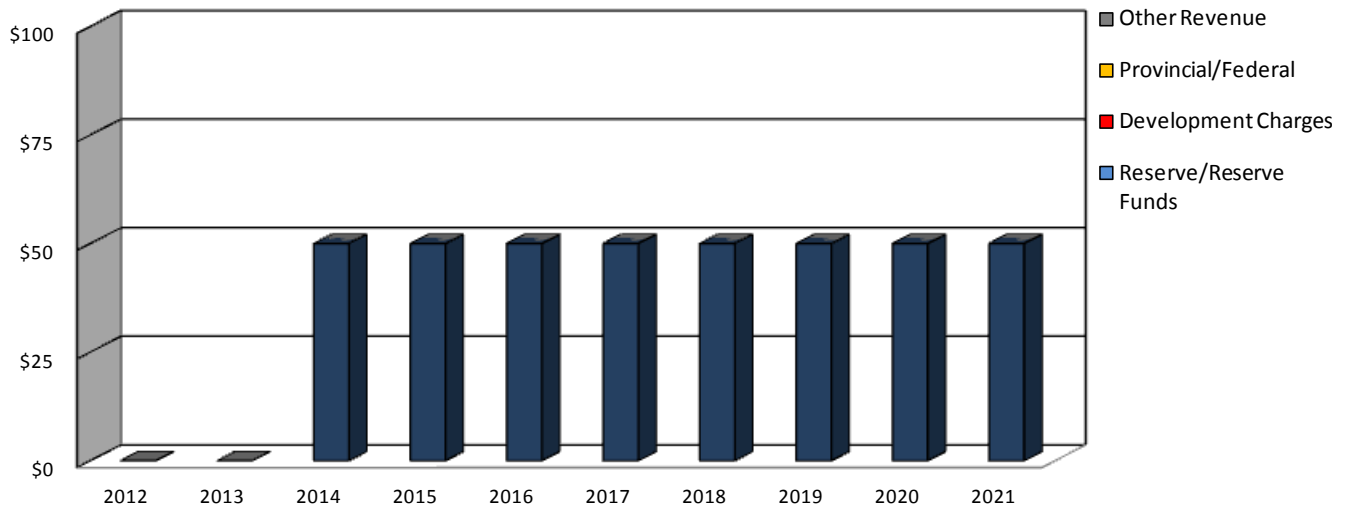
2012 – 2021 Recommended Capital Plan

2012–2021 Capital Plan by Project Category
(In \$000s)



- There are no new capital project needs in 2012 and 2013.
- The 10–Year Recommended Capital Plan includes estimated future funding requirements of \$0.050 million in each of year 2014 to 2021 to maintain the Yonge–Dundas Square facility in a state of good repair as the structure, mechanical, electrical and HVAC systems and equipment ages.

2012–2021 Capital Plan by Funding Source
(In \$000s)



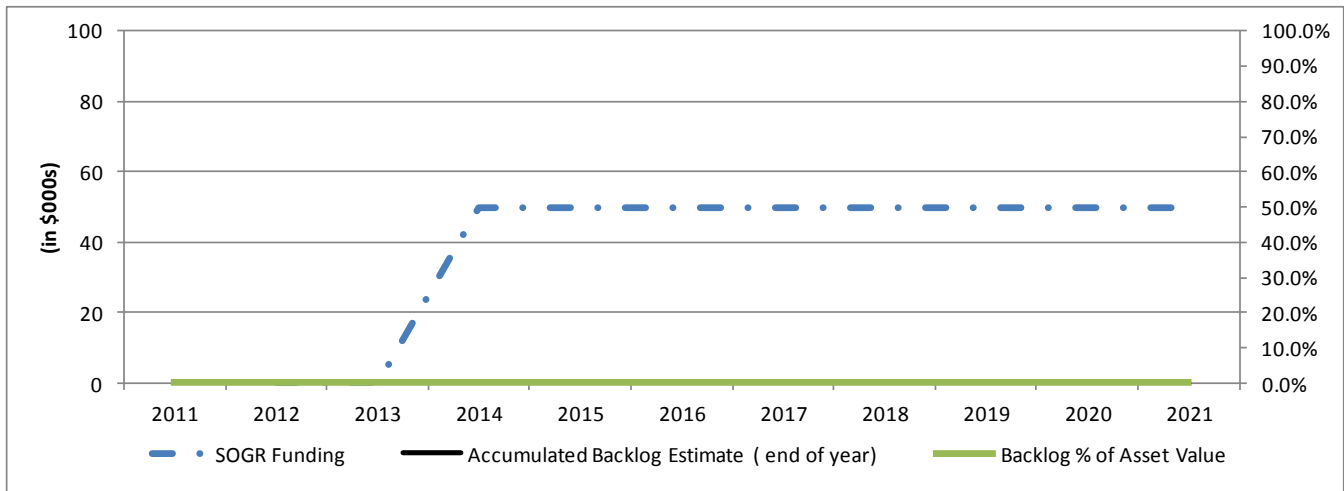
- The debt target assigned to years 2012 and 2013 is \$0 (zero).
- The allocation of \$0.050 million in each of year 2014 to 2021 for future state of good repair projects will be 100% funded by debt.

Major Capital Initiatives

- This Program has no major capital initiatives.

State of Good Repair (SOGR) Backlog

SOGR Funding & Backlog
(In \$000s)



- Yonge–Dundas Square does not have a backlog of state of good repair projects as the Square is relatively new (built in 2001–2002). The asset value of the Square and amenities (20 water fountains; a raised stepped stage with canopy; two small ancillary buildings; a storage facility; and mechanical service rooms and public washrooms below) is \$15.5 million, with a 0% SOGR backlog over the 10–year period.
- The SOGR project completed in 2010 addressed all the immediate structural and mechanical, electrical and HVAC system state of good repair items.
- The 10–Year Capital Plan includes estimated future funding requirements of \$0.050 million in each of year 2014 to 2021 to maintain Yonge–Dundas Square in a state of good repair as the facility ages.
- The facility audit report completed by the City's Facilities Management Division in 2009 will provide guidance for the development of future capital plans into the future.
- The facility audit report provides a 40–year state of good repair capital plan, with significant state of good repair work identified starting after year 2021 with the retrofit of existing interior and exterior lighting systems including stage lighting, roof replacement in year 2025 and mechanical/electrical/HVAC systems component replacements in year 2026, etc.
- The facility audit also identified repair projects costing less than \$5,000 that should be carried out in the short term with provision from the Operating Budget.

- The 10–Year Recommended Capital Plan covering years 2012 to 2021 was validated against the information in the facility audit report and confirmed that the capital funding allocation for years 2014 to 2021 is sufficient at this time.
- It is noted the facility audit done in 2009 will be 4 years old. As it is good practice to do a 5–year life cycle review of City facilities and systems, it is advisable for the Board of Management of Yonge–Dundas Square to initiate a request to the City's Facilities Management Division to do a structure review of the Yonge–Dundas Square facility and systems in 2013, to request an updated facility audit report with an updated 40–year state of good repair capital plan recommendation to inform the 2014–2023 Capital Plan.

10–Year Capital Plan: Operating Impact Summary

- No new operating costs will arise from the approval of the 2012 Recommended Capital Budget and 2013–2021 Recommended Capital Plan.

Capital Project Delivery, Temporary Positions

- This Program does not require any temporary positions to implement its state of good repair capital projects. The Board of Management of Yonge–Dundas Square has an agreement with the City's Facilities Management Division to manage these projects.

PART III – 2012 RECOMMENDED CAPITAL BUDGET

2012 Capital Budget by Project Category and Funding Source

- There is no 2012 Capital Budget.
- No debt target was set for 2012.

PART IV: ISSUES FOR DISCUSSION

Future Year Issues

Future Year Targets / Updated Facility Audit

- The 10–Year Recommended Capital Plan will achieve two primary objectives for the Yonge–Dundas Square Board of Management. First is to meet the needs identified in the State of Good Repair Report (facility audit) done by the City's Facility Management Division in 2009. This report identified the current physical needs of the facility and estimated the capital renewal and replacement requirements of the Square for a 40 year period. The Board's other primary objective is to be able to respond to unforeseen capital needs as they arise, especially of an urgent nature that affect operations or a health and safety issue that impacts the public or staff. Current debt targets for Yonge–Dundas Square for 2012–2021 indicate that this may be challenging, especially when there are no capital funds allocated to year 2013.
- It is noted that the facility audit done in 2009 is now 4 years old. A periodic facility audit follow–up should be part of the capital maintenance plan for Yonge–Dundas Square. As it is general practice to do a 5–year life cycle review of City facilities and systems, it is advisable that the Board of Management of Yonge–Dundas Square request the City's Facilities Management Division to include in its future workplan, a structural review of the Yonge–Dundas Square facility and systems in 2013, and provide an updated facility audit report with an updated 40–year state of good repair capital plan recommendation to inform the 2014–2023 Capital Plan.

Issues Referred to the 2012 Capital Budget Process

- There are no issues referred to the 2012 Capital Budget process.

Appendix 1

2011 Performance

2011 Key Accomplishments

- In 2011, YDS completed the ISF-funded project building a *Permanent Storage Facility* on the eastern tip of the Square. This project will enable the Square to transition more smoothly in between events and increase the Square's capacity to handle larger events that bring significant economic development, cultural and tourism benefits to the community. Incorporating these improvements to the Square will improve public safety during event set-up and take-down periods by further isolating work areas, allowing for increased access by the public during these transitions. The horticultural aspects of this project were also completed.

2011 Capital Variance Review

2011 Budget to Actuals Comparison – Total Gross Expenditures (In \$000s)

2011 Approved	Actuals as of September 30th (3rd Qtr Variance)		Projected Actuals at Year End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$	% Unspent
212	173	81.7%	212	100.0%	0	0%

- Construction of the storage facility was substantially completed by March 31, 2011; and the horticultural aspects of the project were completed by May 31, 2011.
- Of the 2011 Approved Capital Budget of \$0.212 million, 82% or \$0.173 million has been spent to September 30, 2011, with the balance of funds of \$0.039 million to be spent by year-end when the cracked granite drainage pavers inside the storage facility is replaced with a stainless steel grate; this remaining aspect of the capital project will be completed by 2011 year-end.

Appendix 2

10–Year Recommended Capital Plan Project Summary

Project (in \$000's)	Total Project Cost	2012	2013	2014	2015	2016	2012-2016	2017	2018	2019	2020	2021	2012-2021
Estimated Future Costs of Maintaining SOGR 2014 - 2021	400			50	50	50	150	50	50	50	50	50	400
TOTAL	400	0	0	50	50	50	150	50	50	50	50	50	400

Appendix 3

2012 Recommended Capital Budget; 2013 to 2021 Capital Plan